-03-20 21:54 EUT -	+191/8933161 PAGE 3.
STATE OF SOUTH CAROLINA	BEFORE THE 306/6/ THE
(Caption of Case) Example: Application for a Class C Charter Certificate from John Doe dba Doe's Limo) PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
Application for Class C Non-Emergency for Port City Ambulance Service, LLC	TRANSPORTATION COVER SHEET DOCKET NUMBER: 2022 124 T If this is your first time filing an application with the PSC, you will have a Docket Number. The Commission will assign one to you. If you have filed with the Commission before, a Docket Number was assigned.
(Please type or print) Brian Peagler/ Steven Round) and should be entered above: Q
Submitted by: Blan Feagler/ Steven Hound	Telephone: (843)270-2391
Address: 543 Long Point Rd	Fax: (843)972-3040
Suite 104	Pax;
Mount Pleasant SC 29464	Other:
NOTE: The cover sheet and information contained herein neither replated as required by law. This form is required for use by the Public Service be filled out completely.	aces nor supplements the filing and service of pleadings or other partie. Commission of South Carolina for the purpose of docketing and mus O
NATURE OF ACTIO	N (Check all that apply)
Application - Class A/A Restricted	Request for Name Change on Certificate
Application - Class C Taxi	Request to Amend Scope of Authority
Application - Class C Charter	Request to Amend Tariff (rate increase, et
Application - Class C Charter Bus RECE	Request to Amend Passenger Limit
Application - Class C Non-Emergency MAR 2 4	Request ge
Application - Class C Stretcher Van	C3. d. 28. 14
Application - Class E Household Goods MAIL/	SC Exhibit Of Late-Filed Exhibit 3
Application - Class E Hazardous Waste	Letter
Application	Proposed Order
Request for Extension to Comply with Order	Publisher's Affidavit
Request for Order Granting Authority to Obtain a Certificate of Public Convenience and Necessity to be Rescinded	Reservation Letter Response
Request for Cancellation of Certificate	Return to Petition
Request for Suspension	Other:
Request for Reinstatement	

ACCEPTED FOR PROCESSING

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Phone: (803) 896-5100

Fax: (803) 896-5199

APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR OPERATION OF MOTOR VEHICLE CARRIER

	02/10/2022
CLASS C - NON-EMERGENCY	Date: 03/18/2022
Application is hereby made for a Cartificate of E	ublic Convenience and Necessity, in accordance with the provision
of S.C. Code Ann., § 58-23-10, et seq. (1976), an	
1. Port C	ity Ambulance Service, LLC
Name under which business is to be conducted (co	orporation, partnership, or sole proprietorship, with or without trade name
•	Rd, Suite 104 Mount Pleasant SC 29464
	treet Address of Applicant Llvd, Suite 124 Mount Pleasant SC 29464
~	Applicant (if different from street address)
(843)800-1112	(843)972-3040
Phone	Fax @PortCityAmbulance.com
Info	<u> </u>
	Email Address
	opy of the Certificate of Existence from the South Carolina ion must be attached. (If incorporated outside of SC, attach South
3. Select Entity Type: (Check one)	
☐ Individual Owner/Sole Proprietorship	
▼ Partnership - List names and address of a second control of the second contro	all person having an interest in the business.
☐ Corporation - List names and addresses of	of two principal officers.
Brian Peagler 130 Davenport St Goose Creek SC	• •
Steven Round 5034 Ballantine Dr Summerville	SC 29485
	<u> </u>
·	4 00

+19178933161 CCEPTED FOR PR

Applicant is financially able to furnish the services as specified in this application and submits the following statement of assets and liabilities.

Financial Statement

Applicant's assets and liabilities are as follows:

	<u>Liabilitie</u>	<u>Liabilities:</u>		
O	Mortgage/Loan on Real Estate	D	<u>S</u>	
200000	Loans Owed on Motor Vehicles	344000	G Z	
þ	Business/Other Loans Owed	145000	202	
75000	Other Liabilities or Debts	Ō	Mar	
200000	Total Liabilities	489000		
475000			11:11 AN	
	75000 200000	Mortgage/Loan on Real Estate Loans Owed on Motor Vehicles Business/Other Loans Owed Other Liabilities or Debts Total Liabilities	Mortgage/Loan on Real Estate D Loans Owed on Motor Vehicles Business/Other Loans Owed Total Liabilities Mortgage/Loan on Real Estate D Loans Owed on Motor Vehicles D Total Liabilities 489000	

INSTRUCTIONS:

- STRUCTIONS:

 Text

 1. "Value of Real Estate" means the actual or estimated market value of any real property/buildings owned by the Company/Business Applying for a Certificate.

 2. "Mortgage/Loan on Real Estate" means the outstanding balance on any Mortgage, Equity Line or other Loan secured by the Real Estate listed in Item 1.

 3. "Value of Motor Vehicles" means the actual or fair estimated value of any moving vans, trucks or other vehicles owned by the Company/Business Applying for a Certificate.

 4. "Loans Owed on Motor Vehicles" means the outstanding balance on any loans or liens on the vehicles listed in Item 6.

 5. "Cash on Hand" is the total of actual cash held by the Company/Business applying for a Certificate on the day this form is filled out.

 6. "Business/Other Loans Owed" means the outstanding balance on any small business loan or other unsecured loan

- 6. "Business/Other Loans Owed" means the outstanding balance on any small business loan or other unsecured loan made by a person, bank or business to the Business/Company applying for a Certificate.
- 7. "Cash in Bank" means the current balance in checking accounts, savings accounts or the like in the name of the Company/Business applying for a Certificate. Do not include retirement accounts or personal bank account balances.
- 8. "Value of Other Assets and Equipment" should include the actual or estimated value of items such as office equipment (computers/furnishings), moving equipment (hand trucks/blankets/strapping), and trailers.
- 9. "Other Liabilities or Debts" means specific amounts/balances which the Company/Business applying for a Certificate knows that it owes to other persons or companies; for example Franchise Fees. This does NOT include regular bills such as electricity bills, security system costs, insurance, salaries, etc.

PROPOSED RATES AND CHARGES FOR SERVICE

Proposed	Rates	<u>and</u>	<u>Char</u>	ges:

\$55.00 BASE \$5.00 PER MILE

Requested Scope of Authority: Check all counties in which you are requesting permission to operate. You will only be allowed to operate in those counties checked below. You may request "Statewide" authority if you intend to operate in all counties in South Carolina.

Abbeville	Cherokee	Florence	Lee	Saluda
Aiken	Chester	Georgetown	Lexington	Spartanburg
Allendale	Chesterfield	Greenville	Marion	Sumter
Anderson	Clarendon	Greenwood	Marlboro	Union
Bamberg	Colleton	Hampton	McCormick	Williamsburg
Barnwell	Darlington	Horry	Newberry	York
Beaufort	Dillon	Jasper	Oconee	
Berkeley	Dorchester	Kershaw	Orangeburg	
Calhoun	Edgefield	Lancaster	Pickens	
Charleston	Fairfield	Laurens	Richland	

DESCRIPTION OF EQUIPMENT

You are not required to own a vehicle to file an application. However, prior to being issued a certificate by ORS, processor of the property of the property of the property of the processor of the proc

WHEEL CHAIR≥

YEAR & MODEL	VIN#	EMPTY WEIGHT	LIFT
2012 ECONO	1FTNE2EW4CDB36255	5230 LBS	×
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			01 30
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		_	

INSURANCE QUOTE

This form MUST BE COMPLETED.

The insurance quote must be complete, listing current insurance premiums. At the discretion of the Commission, a copy of current insurance policies may be required. Do not provide a copy of insurance policies unless requested. You will not be required to purchase insurance until your application has been approved and an order has been issued by the PSC. THIS IS ONLY A QUOTE.

The following insurance quote is for:		
PORT C	CITY AMBULANCE SERVICE, LLO	
	Name of Applicant	
543 LONG POINT F	RD, SUITE 104 MOUNT PLEASA	NT SC 29464
	Address of Applicant	
mount of Premium:		
16544		
iability Insurance \$		
he above quoted premium is for a term of	12	
	——— months.	
The above quoted premium is for a term of Minimum Limits - Bodily injury and prothan the following:	——— months.	Limits Quoted
Minimum Limits - Bodily injury and pro	——— months.	Limits Quoted
Minimum Limits - Bodily injury and pro than the following:	———— months. operty damage limits will not be less	
Minimum Limits - Bodily injury and pro than the following: Liability Combined Each Occurance Medical Payments per Person	months. operty damage limits will not be less \$ 1,000,000	1,000,000
Minimum Limits - Bodily injury and prothan the following: Liability Combined Each Occurance Medical Payments per Person M	months. operty damage limits will not be less \$ 1,000,000 \$ 1,000 4CNEIL AND COMPANY INC	1,000,000 5,000
Minimum Limits - Bodily injury and prothan the following: Liability Combined Each Occurance Medical Payments per Person M	months. operty damage limits will not be less \$ 1,000,000 \$ 1,000	1,000,000 5,000
Minimum Limits - Bodily injury and pro than the following: Liability Combined Each Occurance Medical Payments per Person M PO BOX 56	months. operty damage limits will not be less \$ 1,000,000 \$ 1,000 4CNEIL AND COMPANY INC	1,000,000 5,000
Minimum Limits - Bodily injury and prothan the following: Liability Combined Each Occurance Medical Payments per Person M PO BOX 56	months. operty damage limits will not be less \$ 1,000,000 \$ 1,000 ACNEIL AND COMPANY INC Name of Insurance Company 570 67 MAIN ST CORTLAND NY 1	1,000,000 5,000

I, the Applicant, am familiar with the Commission's Rules and Regulations relating to insurance requirements and the above quote meets the minimum insurance limits prescribed. The insurance company making this quote is authorized by the South Carolina Department of Insurance to do business in South Carolina.

NOTICE:

If you wish to self-insure your motor vehicles for liability and property damage, you must comply with S.C. Code Ann. Sections 56-9-60 and 58-23-910. For more information, contact the Department of Motor Vehicles at (803) 896-8457 or (803) 896-9903.

If you wish to apply as a self-insured for worker's compensation coverage in South Carolina you may do so with the South Carolina Worker's Compensation Commission (WCC) provided that you will be able to: 1) post a surety bond or letter-of-credit with the WCC for a minimum of \$500,000, 2) agree to pay a yearly self-insurance tax, and 3) agree to pay an annual assessment to the South Carolina Second Injury Fund. For more information, contact the WCC Self-Insurance Division at (803) 737-5712 or on the web at www.wcc.state.sc.us/self-insurance.

Exhibit Fit, Willing, and Able (FWA)

BRIAN PEAGLER/ STEVEN ROUND

Name

1. Is there currently any outstanding judgments against the Applicant?

Yes No
If Yes, list judgements here:

2. Is Applicant familiar with all statutes and regulations, including safety regulations and governing for-hire more carrier operations in South South Carolina, and does Applicant agree to operate in compliance with these statutes and regulations?

Yes No

No

3. Is Applicant aware of the Commission's insurance requirements and the insurance premium costs associated therewith?

No

Yes No

No

No

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Exhibit on Driver Qualifications

2-6	3-20 2	21:54 EDT -			+19178933161 P	AGE > 10,
				Exhibit on Driver Quali	<u>fications</u>	EPTED I
1.	CPR (Certificate or its equ	ivalent	rs must possess at least a current Ar, and records that verify/record such usiness within South Carolina.	nerican Red Cross Standard First Aid and a training must be kept on file at the	OR PROC
	•	Yes	0	No		ESSING -
2.	Appli	cant understands tha	t drive	rs must be in compliance with all O	SHA regulations.	2022 M
	•	Yes	0	No		arch 24 11:
3.				rs must be trained in the use of all vertinguishers, and other equipment	rehicle installed safety equipment such as outlined in PSC Regulations.	11 AM -
	•	Yes	0	No		CCEPTED FOR PROCESSING - 2022 March 24 11:11 AM - SCPSC - 2022-124-
4.		cant understands that disabilities, includin			m actions necessary to assist persons	22-124-T
	•	Yes	0	No		- Page 8 of 30
5.				rs must wear a professional uniforn the company for whom the driver wo	n and photo identification badge that orks.	30
	•	Yes	0	No		
6.	of saf		verify	- , , ,	of in-service training annually in the area on file at the company's primary place of	ı
	•	Yes	0	No		

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

IGENECUTIVE CENTER DRIVE, SUITE 100
COLUMBIA, SOUTH CAROLINA 29210

Applicant is familiar with the provision of S.C. Code Ann. §58-23-10, et seq.(1976), and amendments thereto, and R.103-100 through R.103-241 of the Commission's Rules and Regulations for Motor Carriers (S.C. Code Ann. Regs., 1976), and R.38-400 through R.38-503 of the Department of Public Safety's Rules and Regulations for Motor Carriers (Volume 2, S.C. Code Ann., 1976) and amendments thereto, and hereby promises complianced therewith.

S.C. Code Ann. Section 58-3-250 states, in part, that every final order of the Commission must be served by electronic service, registered or certified mail, upon the parties to the proceeding or their attorneys.

Please check the applicable hox:

The Applicant AGREEs to receive future Commission orders related to the Applicant's auditority in South Carolina brough the Commission's chervice System.

The Applicant DOES NOT AGREE to receive future Commission orders related to the Applicant's authority in South Carolina brough the Commission's eservice System.

The Applicant DOES NOT AGREE to receive future Commission orders related to the Applicant's authority in South Carolina through the Commission's eservice System.

The Applicant for the Certificate of Public Convenience and Necessity as set forth in the foregoing, swear or affirm that all statements contained in the above application are true and correct.

STATE OF SOUTH CAROLINA

SWORN TO BEFORE ME

Notary Public

Commission Expires

Print Application

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The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Existence

I, Mark Hammond, Secretary of State of South Carolina Hereby Certify that:

Port City Ambulance Service, LLC, a limited liability company duly organized under the laws of the State of South Carolina on August 14th, 2018, with a duration that is at will, has as of this date filed all reports due this office, paid all fees, taxes and penalties owed to the State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to S.C. Code Ann. §33-44-809, and that the company has not filed articles of termination as of the date hereof.

Given under my Hand and the Great Seal of the State of South Carolina this 26th day of September, 2018.

Mark Hammond, Secretary of State

OPERATING AGREEMENT FOR PORT CITY AMBULANCE SERVICE, LLC

This OPERATING AGREEMENT for **PORT** CITY AMBULANCE SERVICE, LLC, is made and entered into this 29th day of October by and between the following persons who have executed this Operating Agreement: Steven Round and Brian Peagler.

ARTICLE I

ORGANIZATION

- Original Formation of Limited Liability Company: On August 15, 2018, Port 1. City Ambulance Service, LLC was organized as a South Carolina Limited Liability Company (the "Company").
- 2. Name: The business of the Company shall be conducted under the name of PORT CITY AMBULANCE SERVICE, LLC or such other name as the Managers may designate in writing to the Members.
- 3, Registered Office and Registered Agent: The Company's registered office shall be located at 222 West Coleman Blyd, Ste. 124, Mt. Pleasant, SC 29464, and its registered agent shall be Steven Round. The Managers, Steven Round and Brian Peagler, of the Company may, within their sole and unrestricted discretion, change the registered office or registered agent of the Company, and in such eyent, shall give written notice thereof to all Members.
- 4. Purpose: The purpose of the Company is to engage in emergent and nonemergent medical transportation services and to pursue such other business and investment opportunities as the Managers shall determine may be beneficial for the Company.
- 5. Fiscal Year: The fiscal year of the Company shall be the calendar year

6. Term: The term of the Company commenced on the date of filing of the Certificate of Formation and shall continue until terminated by the Managers.

ARTICLE II

GENERAL DEFINITIONS

As used in this Agreement, the following terms shall each have the meaning set forth in this Article (unless the context otherwise requires). For purposes of this Agreement, the term "person" shall include individuals, corporations, associations, partnerships, limited liability companies, trusts, estates and other entities.

- 1. Act: Act shall mean the South Carolina Limited Liability Company Act, as now in effect or as hereafter amended or revised.
- 2. Affiliate of a Member: Affiliate of a Member shall mean any person directly or indirectly controlling, controlled by or under common control with a Member or Members.
- 3. Agreement: Agreement shall mean this Operating Agreement, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.
- 4. Bankrupt: Bankrupt shall mean, with respect to any Member, the occurrence of any one or more of the following: (i) the making by the Member of an assignment for the benefit of creditors; (ii) the filing of an involuntary petition seeking an adjudication of bankruptcy under Chapter 7 of the Bankruptcy Code, which filing is not dismissed within sixty (60) days of the filing; (iii) the filing of a voluntary petition by the Member under Chapter 7 of the Bankruptcy Code; (iv) the filing of a voluntary or involuntary petition under Chapters 11 or 13 of the Bankruptcy Code which is not dismissed within sixty (60) days of the filing, but only if the Member is not the debtor-in-possession of his or her

assets; (v) the entry of an order, judgment or decree by a court of competent jurisdiction providing for the liquidation of the assets of the Member or appointing a receiver, trustee or other administrator of the Member's assets which continues in effect and unstayed for a period of sixty (60) days; (vi) the confirmation of any plan of reorganization under either Chapter 11 or 13 of the Bankruptcy Code providing for the liquidation of substantially all of the Member's assets. For purposes of (iv) above, a Member shall not be considered a debtor-in-possession of his assets if a trustee, receiver or other person or entity is appointed to, or in fact does, control of operate the assets of the Member.

- 5. Bankruptcy Codes: Bankruptcy Code shall mean Title 11 of the United States Code, as now in effect or as hereafter amended.
- 6. Cash Flow: Cash Flow shall mean all cash received by the Company from all sources (including capital contributions and borrowings), less cash expended or reserved in the discretion of the Managers for liabilities (contingent or otherwise), expenses, capital expenditures and obligations of the Company or obligations secured by the assets of the Company.
- 7. Code: Code shall mean the Internal Revenue Code of 1986, as now in effect or as hereafter amended.
- 8. Company: Company shall mean PORT CITY AMBULANCE SERVICE, LLC, the limited liability company formed by the filing of the Certificate of Formation, as constituted from time to time.
- 9. Managers: Manager shall mean Steven Round and Brian Peagler and any successor or additional Managers elected in accordance with this accordance.
- Members: Members shall mean the persons aforementioned or any person admitted as an additional or substitute Member in accordance with this Agreement.

- 11. Membership Interest: Membership Interest shall mean, with respect to a Member. the percentage off ownership interest in the Company of such Member.
- 12. Property: Property shall mean, at any time, all property, whether real or personal, interests, assets or rights owned or held by or on behalf of the Company at such time.

ARTICLE III

CAPITAL CONTRIBUTIONS AND CAPITAL ACCOUNTS

- 1. Capital Contributions: Upon execution of this Agreement, each Member shall contribute to the Company cash, securities and/or other assets equally.
- 2. Capital Accounts: Separate capital accounts shall be maintained by the Company for each Member. The capital account of each Member shall be credited with his or her capital contributions (at net fair market value with respect to contributed property) and shall be appropriately adjusted to reflect each Member's allocations of profits, gains, losses, deductions, the rate fair market value of distributions made to the Member and such other adjustments as shall be required.
- 3. Limited Liability: The Members shall not have any personal liability for liabilities or obligations of the Company except to the extent of their capital contribution set forth in this Article III, and the Members shall not be required to make any further or additional contribution to the Company or to lend or advance funds to the Company for any purpose notwithstanding the foregoing, (i) if any court of competent jurisdiction holds that distributions (or any part thereof) received by a Member pursuant to the provisions hereof constitute a return of capital and directs that a Member pay such amount (with or without interest thereon) to or for the account of the Company or any creditor thereof, such obligation shall be the obligation of said Member and not of any

other Member or the Company, and (ii) a Member shall indemnify and hold harmless the Company and each Member from any liability or loss incurred virtue of the assessment of any tax with respect to such Member's allocable share of the profits or gain of the Company.

4. No Interest on or Right to Withdraw Capital Contributions: No interest shall be paid by the Company on capital contributions or on the balance in any capital account and no Member shall have the right to withdraw his capital contribution or to errand or receive a return of his capital contribution.

ARTICLE IV

COMPANY FUNDS

All funds received by the Company shall be utilized for Company purposes as determined by the Managers in the best interests of the Company. Until required for the Company's business, all Company funds shall be deposited and maintained in such accounts in such banks or other financial institutions as shall be selected by the Managers or shall be invested in securities of the United States government, certificates of deposit or money market funds designated by the Managers. The Managers or their designee shall have the right to draw checks payable in such funds and make, deliver, accept and, endorse negotiable instruments in connection with the Company's business, Company funds shall not be commingled with the funds of any other person.

ARTICLE V

ALLOCATIONS AND DISTRIBUTIONS

1. Distributions: Cash Flow shall be distributed to the Members in such amounts and at such intervals as the Managers shall determine and among the Members in proportion to their respective Membership Interests.

Member Initial Control Interest and Distributional Interest

Steven Round 50% Brian Peagler 50%

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2. Allocation of Profits and Losses: All profits and losses of the Company shall be based on revenue collected and specifically allocated expenses; provided, however, that for federal income tax purposes, income, gain, loss and deduction, with respect to property contributed to the Company, shall be shared by the Members so as to take account of the variation between the federal income tax basis of the property to the Company and its fair market value at the time of its contribution to the Company utilizing any such method as is selected by the Managers.

ARTICLE VI

MANAGEMENT: RIGHTS, POWERS AND OBLIGATIONS OF THE MANAGERS

- Management and Control in General: 1.
 - Except as set forth in subsection (b) of this section, the Managers shall have (a) full and exclusive power to manage and control the business and affairs of the company, and the Members shall have no right to act on behalf of or bind the

Company. The Managers shall have all the rights, powers and obligations of a manager as provided in the Act and as otherwise provided by law, and any action taken by the Managers shall constitute the act of and serve to hind the Company. In dealing with the Managers, no persons shall be required to inquire into, and all persons are entitled to rely conclusively on, the authority of the Managers to bind the Company.

(b) Notwithstanding the provisions of subsection (a) of this section, the Managers shall not (i) confess a judgment against the Company or execute or deliver any assignment for the benefit of creditors of the Company or-(ii) sell or assign substantially all the Property in bulk, without the written consent of the Members holding a majority of the Membership Interests.

2. Number and Appointment of Managers:

- The number of Managers of the Company shall be 2. Such number may be (a) changed from time to time upon the affirmative vote of Members holding One Hundred Percent (100%) of the Membership Interests who are present at a meeting called for such purpose, and a Manager may be removed at a meeting called for such purpose upon the same vote.
- A Manager may resign at any time upon 180 days written notice to the (b) Company. In the event of a vacancy in the position of Manager by reason of resignation, removal, death or Bankrupfcy; a successor shall be appointed by the affirmative vote of all the Members holding Membership Interest.
- 3. Employment of Others, Including Affiliates: The Managers shall not be required to devote full time to the affairs of the Company but shall devote such time to Company affairs as they in their sole and unrestricted discretion deem necessary to

manage and, supervise the operations and business of the Company. Nothing contained in this Agreement shall preclude the employment by the Managers, on behalf of and at the expense of the Company, of themselves or any agent or third party to operate and manage all or any portion of the Property or to provide any service relating to the business, subject to the control of the Managers. The Managers may, on behalf of the Company, engage one or more Affiliates of any of the Managers to render services to the Company, provided that any such engagement shall be upon terms and conditions for less favorable to the Company than could be obtained from an independent third party. Neither the Company nor any of the Members shall have, as a consequence of the relationship created hereby, any-right in or to any income or profits derived by the Managers or an Affiliate of any of the Managers from any business arrangements with the Company which are consistent with this Section.

- 4. Compensation to Manager: The compensation of the Managers shall be established from time to time by the vote of all of the Members.
- 5. Expenses: The Company shall pay all costs and expenses arising from or relating to the organization of the Company, the acquisition of Property and the commencement and continuation of Company operations. The Managers may be required to pay for expenses related to the Company and the Company is not required to reimburse the Managers for these costs.
- 6. Other Activities: The Managers, an Affiliate of the Managers and any Member may engage in or possess an interest in other business ventures or investments of any kind, independently or with others, including but not limited to ventures engaged in owning, operating or managing businesses or properties similar to those

businesses or properties owned or operated by the Company. The fact that a Manager, any Affiliate of a Manager or any Member may avail itself of such opportunities, either by itself or with other persons, including persons in which it has an interest, and not offer such opportunities to the Company or to a Member, shall not subject the Managers, the Member or such Affiliate of a liability to the Company or to any other Member on account of lost opportunity. Neither the Company nor any Member shall have any right by virtue of this Agreement or the relationship created hereby in or to such opportunities, or to the income or profits derived therefrom, and the pursuit off such opportunities, even though competitive with the business of the Company, shall not be deemed wrongful or improper or in violation of this Agreement.

- 7. <u>Title to Property</u>: Title to Property shall be taken in the name of the Company.
- 8. Liability of a Manager: The Managers and any Affiliate of the Managers, and their respective officers, shareholders, controlling persons, directors, agents and employees, shall not be liable, responsible or accountable in damages or otherwise to the Company or to any of the Members, their successors or permitted assigns, except by reason of acts or omissions due to gross negligence or willful misconduct. Any action taken in good faith in reliance upon and inn accordance with the advice or opinion off counsel shall be conclusively deemed not to constitute gross negligence or willful misconduct.
- 9. Indemnification: The Company shall indemnify, defend and hold harmless any person (the "Indemnified Party") who is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, against losses, damages, claims or

expenses actually and reasonably incurred by it for which such Indemnified Party has not otherwise been reimbursed (including reasonable attorneys' fees, judgments, fines and amounts paid in settlement) in connection with such action., suit or proceeding, by reason of any acts, omissions or alleged acts or omissions arising out of the Indemnified Party's activities as a Member, or as an officer, shareholder, director, agent or employee of a Member, on behalf of the Company or in furtherance of the interests of the Company, so long as the Indemnified Party did not act in a manner constituting gross negligence or willful misconduct. The termination of any action, suit or proceeding by judgment, order, settlement, or upon a plea of solo contender or, its equivalent, shall riet of itself create a presumption that the Indemnified Party's conduct constituted gross negligence or willful misconduct.

10. Tax Matters Partner: Steven Round shall be the "tax matters partner" for purposes of Subchapter C of Chapter 63 of Subtitle F of the Internal Revenue Code (Code Secs. 6221-6233) and shall have the authority to exercise all functions provided for in said tact, or in regulations promulgated thereunder by Treasury, including, to the extent permitted by such regulations, the authority to delegate the function of "tax matters partner" to any other person. Steven Round shall be reimbursed for all reasonable expenses incurred as a result of their duties as tax matters partner.

ARTICLE VII

MEETINGS AND VOTING

1. <u>Meetings</u>: Meetings of the Members may be called by the Managers or by Members holding at least 50% of the Membership Interests upon ten (10) days' prior written notice

to each Member of the Company. Such notice shall set forth the time and place of the meeting. If no place for tile meeting is designated, the place of meeting shall be the . principal office of the Company. Members holding at least seventy-five percent (75%) of all Membership Interests shall constitute a quorum at any meeting of Members, whether present in person or by proxy.

- 2. Manner of Acting: If a quorum is present at a meeting, the affirmative vote of Members holding at least one-hundred percent (100 %) of all Membership Interests shall be the act of the Members, unless the vote of a greater or lesser proportion or number s otherwise required by the Act, by the Certificate of Formation or by this Agreement.
- 3. Action by Members: Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by a written consent describing the action taken, executed by each Member and delivered to the Managers for inclusion in. the Company records. Any action taken pursuant to this section shall be effective when, all Members have executed the consent, unless the consent specifies a different effective date.
- 4. Waiver of Notice: When any notice is required to be given to any Members, a waiver thereof in writing executed by the person entitled to such notice, whether before, at or after the time stared therein, shall be equivalent to the giving of such notice.

ARTICLE VIII

TRANSFERS OF MEMBERSHIP INTERESTS;

ADMISSION OF NEW MEMBERS

1. Restrictions On Transfer: A Member may not sell or transfer all or any part of his or her Membership Interest except with the prior written consent of Members holding 100% of the Membership Interests, which consent may be withheld by a Member in his or her sole and unrestricted discretion. Any sale or transfer without said consent shall be null and void and confer no rights on the transferee as against the Company or as against the Members. In addition, before a permitted transferee shall be admitted to the Company as a substitute or additional Member, the conditions set forth in this Article, Substitute or Additional Member section must be satisfied.

- Admission of Additional or Substitute Members: No person may be admitted as an 2. additional or substitute Member without the unanimous written consent of all Members.
- 3. Termination of Members Interest in Company: A Member's death, a Member becoming bankrupt or the termination of a Member's interest in the Company (by withdrawal or otherwise) shall cause the Company to dissolve, unless all of the remaining Members agree to continue the Company, in which case such Member's legal representative shall have all the rights of the Member for the purpose of settling the

Member's estate and such power as the Member possessed to transfer his Membership Interest and to join with the transferee thereof in satisfying the conditions precedent to such transferee becoming a substitute Member which are set forth in this Article VIII.

4. Substitute or Additional Member:

- (a) A person shall only be admitted as a substitute or additional Member under his Agreement in compliance with the following:
 - a transfer contemplated by the Restrictions on Transfer section of this Article shall be made only by written document, signed by the

transferor Member and accepted in writing by the transferee, and a duplicate original of such document shall he delivered to the Company and consented to by all Members (which consent may be withheld, in the sole and unrestricted, discretion of any Member);

- (ii) the transferee shall execute and deliver to the Company a written agreement, in form reasonably satisfactory to the Managers, pursuant to which said person agrees to be bound by this Agreement and grants the power of attorney contained in this Agreement; and
- (b) In the event a transfer is made in accordance with the terms of this Article, unless otherwise required by the Code:
- the effective date of such transfer shall be the date the written documents described in this Article, Substitute or Additional member section, subsection (a) (ii) and (ii) are approved by all Members; and
 - (ii) the Company shall be entitled to treat the transferor Member as the absolute owner of the transferred Membership Interest in all respects and shall incur no liability for distributors or allocations made pursuant to Article V in good faith to such transferor until such time as the written documents described in this Article, Substitute or Additional member section, subsection (a) (i) and (ii) are approved by all Members.

The costs incurred by the Company associated with the admission of a substitute or additional Member contemplated by this Article (including reasonable attorneys' fees) shall be borne by the transferee.

ARTICLE IX

REPORTS AND TAX

MATTERS

- 1. Books, Records and Reports:
- (a) Accurate books, records and reports shall be maintained by the Company showing its assets, liabilities, operations, transactions and financial condition, as well as the names and addresses of the Members. The Company books and records may be kept under such permissible method of accounting as the Managers may determine. The Company books shall be maintained at the principal office of the Company, and each Member shall have the right upon reasonable notice given to the Company to inspect, extract and copy such books during regular business hours of the Company.
- (b) The Managers shall cause income tax returns for the Company to be prepared and file with the appropriate authorities. Within ninety (90) days after the close of each fiscal year of the Company, the Managers shall send to each person who was a Member at any time during such fiscal year such information as will be sufficient to prepare documents which may be required to be file under relevant federal state income tax laws.
- Within ninety (90) after the close of the Company's fiscal year, the Manager shall (c) use their best efforts to cause each Member to receive financial statements of the Company for the fiscal year then ended (including a balance sheet and statement of income).

ARTICLE X

DISSOLUTION AND TERMINATION

1. Dissolution of the Company: The Company shall dissolve and be terminated on the formation or upon the earlier happening of any one of the following:

- (a) upon written agreement of Members holding 100% of the Membership Interest;
 - (b) upon the death, retirement, resignation, Bankruptcy, court declaration of incompetence with respect to, or dissolution of, a Member, unless within ninety (90) days after the event all of the remaining Members agree to continue the business of the Company;
 - (c) upon the sale of substantially all of the Property or other conversion of substantially all the Company's assets to eash; or
 - (d) upon the occurrence of any other even other than one specified in this section which, under the Act of as otherwise provided by law, causes a dissolution and termination of the Company.

2. Liquidator:

(a) Upon dissolution of the Company, the Managers or if there are no Managers, such person as the Members holding a majority of the Membership Interests may designate, shall act as liquidator of the Company (in either case, the "Liquidator"). The Liquidator shall, with reasonable speed, wind up the affairs of the Company and liquidate the Property. The Liquidator shall have unlimited discretion to determine the time, manner and terms of any sale of Property having due general financial and economic conditions. The Liquidator shall distribute any proceeds received from the disposition of the Property and any other assets of the Company in accordance with the provisions of Article V.

- (b) If any Member shall be indebted to the Company, then until payment of such amount by him, the Liquidator shall retain such Member's distributive share of Property and apply the same to the liquidation of such indebtedness.
- (c) The Liquidator shall comply with all requirements of the Act and other applicable law pertaining to the winding up of a limited liability company, following which the Company shall stand liquidated and terminated.
- 3. Source of Distributions: Each Member shall look solely to the assets of the Company for all distributions with respect to the Company, the return of his capital contribution thereto and his share of profits or losses thereof, and shall have no recourse therefore (upon dissolution or otherwise) against any other Member or Manager.

ARTICLE XI

POWER OF ATTORNEY

- 1. Power of Attorney: Each Member, by executing this Agreement or a counterpart hereof, does hereby irrevocably constitute and appoint the Managers, and any successor Manager of the Company, with full power of substitution, as such Member's true and lawful attorney-in-fact (the "Attorney-in-Fact"), in his name, place and stead, to execute, acknowledge, swear to, deliver, file and record such documents which are now or may hereafter be required by law to be filed on behalf of the Company or is deemed necessary or desirable by the Managers to carry out fully the provisions of this Agreement in accordance with its terms.
- 2, Nature of Power of Attorney: The grant of authority in Section 11.01 (11.01) by each Member (i) is a special power of attorney coupled with an interest in favor of the Attorney-in-Fact and as such shall be irrevocable and shall survive the death or legal

incapacity of the Member; (ii) may be exercised for the Member by a facsimile signature of the Attorney-in-Fact; and (iii) shall survive the assignment by the Member of all or any portion of his Membership Interest, except that where the assignee of the entire Membership Interest of the Member has furnished a power of attorney and has been approved by the Company for admission to the Company as a substitute Member pursuant to Article VIII, the power of attorney granted in this Article XI shall survive such assignment for the sole purpose or enabling the Attorney-in-Fact to execute, acknowledge and file any instrument necessary to effort such substitution and shall thereafter terminate.

ARTICLE XII

MISCELLANEOUS PROVISIONS

- 1. Notices: All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given:
- (i) in the case of a report to be given to a Member, if personally delivered or if mailed by United States first-class mail, postage prepaid, addressed to such Member at his address on the records of the Company; and (ii) in the case of notices or communications to be given to any Member, if personally delivered or if mailed in by United States first-class certified or registered mail, return receipt requested postage prepaid, or if sent by prepaid, or if sent by prepaid telegram or telefax, addressed to such Member at his address on the records of the Company. A Member may change his address for notices by giving notice in like manner. Any notice or other communication shall be deemed to have been given to, or received by, the appropriate party as of the date on which it is personally delivered or, if mailed, on the third business day after the date on which it is deposited in the United States mail; or if telegraphed or telefaxed, on the business day after it is transmitted.

- 2. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.
- 3. Successors and Assignees: This Agreement and all the terms and provisions hereof shall be binding upon and shall inure to the benefit of the Members and their respective heirs, executors, administrators, successors and permitted assigns. Any person acquiring or claiming an interest in the Company, in any manner whatsoever, shall be subject to and bound by all the terms, conditions and obligations of this Agreement to which his predecessor in interest was subject or bound, without regard to whether such person has executed this Agreement or a counterpart hereof of any other document contemplated hereby. No person shall have any rights or obligations relating to the Company greater than those set forth in this Agreement, and no person shall acquire an interest in the Company or become a Member thereof except as permitted by the terms of this Agreement.
- 4. Counterparts: This Agreement may be executed in any number or identical counterparts, each of which, for all purposes, shall be deemed an original, and all of which constitute, collectively, one and the same Agreement. In addition, this Agreement may contain more than one counterpart signature page and may be executed by the affixing of the signature of each of the Members to one of such counterpart signature pages, and all such counterpart signature pages shall be read as one and shall have the same force and effect as though all the signers had signed the same signature page.
- 5. Additional Assurances: Upon the request of the Managers, each Member agrees to perform all further acts and execute, acknowledge and deliver any documents which the Managers deem reasonably necessary to effectuate the provisions of this

- Agreement. 6. Modification To Be in Writing: This Agreement constitutes the entire understanding of the parties hereto with respect to the subject matter hereof and supersedes any and all prior negotiations, understandings and agreements in regard hereto. No amendment, modification or alteration of the terms hereof shall be binding unless the same is in writing and is effected in accordance with this Agreement.
- 7. Partition: Bach of the parties hereto irrevocably waives during the term of the Company any right that he may have to maintain any action for partition with respect to Company Property.
- 8. No Waiver: Failure or delay of any party in exercising any right or remedy under this Agreement, or any other agreement between the parties, or otherwise, will not operate as a waiver thereof. The express waiver by any party of a breach of any provision of this Agreement by any other party shall not operate or be construed as a waiver of any subsequent breach by said party. No waiver will be effective unless and until it is in written form and signed by the waiving party.
- 9, Gender and Number: Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and plural, and pronouns stated in either the masculine, the feminine or the neuter gender shall include the masculine, feminine, and neuter.
- 10. Headings: The captions in this Agreement are inserted for convenience of reference only and shall not affect the construction of this Agreement. References in this Agreement to any Article, Section, Paragraph, Subparagraph or Schedule are to the same contained in this Agreement.
- 11. Validity and Severability: If any provision of this Agreement contravenes any law and such contravention would thereby invalidate this Agreement, or if the operation

of any provision hereof is determined by law, administrative regulation or otherwise to result in classification of the Company as an association taxable as a corporation of the Company, then such provision is declared to be invalid and subject to severance from the remaining portion of this Agreement and this Agreement shall be read and construed as though it did not contain such provision in a manner to give effect to the intention of the parties to the fullest extent possible.

12. No Third Party Rights: This Agreement and the covenants and agreements contained herein are solely for the benefit of the parties hereto and their Affiliates. No other person shall be entitled to enforce or make any claims, or have any rights pursuant to the provisions of this Agreement.

IN WITNESS WHEREOF, the Members have caused this Agreement to be executed as of the date first set forth above.

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